

702 KAR 3:285. School district Medicaid providers.

RELATES TO: KRS 156.070, 605.115

STATUTORY AUTHORITY: KRS 156.070, 156.160

NECESSITY, FUNCTION, AND CONFORMITY: KRS 156.070 sets forth the Kentucky Board of Education's plenary powers over the management and control of local school districts and, along with KRS 156.160, gives the Kentucky Board of Education the authority to promulgate administrative regulations deemed necessary for the management of the school districts under its control. This administrative regulation is necessary to provide guidance for local school districts that choose to be Medicaid providers.

Section 1. Definitions. (1) "School district Medicaid recipient" means one who has been determined eligible for Medicaid-covered benefits provided by a local school district participating in the Medicaid Program.

(2) "School district Medicaid provider" means a local school district which has entered into an agreement with the Department for Medicaid Services, Cabinet for Human Resources, to receive Medicaid reimbursement for health-related services provided by the district.

Section 2. School District Medicaid Provider Agreements. (1) Pursuant to KRS 605.115, the Department of Education shall enter into an agreement with the Department for Medicaid Services, Cabinet for Human Resources, to provide reimbursement upon request to local districts for Medicaid covered benefits provided to eligible students.

(2) Local school districts may enter into an agreement with the Department for Medicaid Services, Cabinet for Human Resources, to become eligible to receive Medicaid reimbursement for Medicaid covered services provided to eligible students pursuant to KRS 605.115.

(3) Local school districts which choose to participate shall be required to comply with provider participation criteria set forth in 907 KAR 1:715, 1:034, and 1:035, promulgated by the Department for Medicaid Services, Cabinet for Human Resources.

Section 3. Administrative Guidelines. (1) To receive federal Medicaid reimbursement, local school districts shall provide the state's share of the Medicaid expenditure and shall be required to document and certify the expenditure of state funds for Medicaid reimbursable services provided to Medicaid eligible student recipients. This certification of the availability and expenditure of state funds shall be provided as needed to the Department for Medicaid Services by local school districts for verification of state matching funds entitling the local school district to reimbursement for specific Medicaid reimbursable services provided by the school district. Certification shall include a statement on the Medicaid claim form or a signed statement from the local school district superintendent or finance officer. The Department of Education and the Department for Medicaid Services, Cabinet for Human Resources, may examine any records, files, or documents necessary to verify expenditures for Medicaid covered services for which certification of state matching funds has been made.

(2) Documentation of available or expended state matching dollars shall be provided as required by the Department for Medicaid Services and may include the following:

(a) Records relating to time and attendance of service providers; or

(b) Records of expenditures, including invoices, related to the services provided by or through the local school district.

(3) Federal funds shall not be used by school districts to match Medicaid funds.

(4) Local school districts shall include in the annual audit an accounting of revenues and expenditures relative to serving Medicaid eligible student recipients. The Department of Education shall provide the Cabinet for Human Resources a copy of this annual audit.

(5) The Department for Medicaid Services, Cabinet for Human Resources, the Health Care Financing Administration of Health and Human Services, the Office of Inspector or their designated representatives may audit a local school district to verify compliance with all federal and state Medicaid statutes and administrative regulations relating to local school district receipt of Medicaid reimbursement for approved services.

Section 4. Parent/Guardian Consent. (1) Local school districts shall obtain written parent or guardian consent pursuant to the requirements of the Individuals with Disabilities Education Act (IDEA) Regulations (34 CFR 300) prior to provision of services in an individual education program (IEP).

(2)(a) Parents or guardians shall be given prior written notification on an annual basis that the local school district may be submitting claims for Medicaid reimbursement of health related services provided to students with educational disabilities as required by the student's IEP.

(b) The rights of the parent or guardian under IDEA shall not be affected in any way as a result of the local school district's participation in the Medicaid Program. (23 Ky.R. 1474; eff. 1-9-97.)